

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT				1. Contract ID Code Firm-Fixed-Price		Page 1 Of 20	
2. Amendment/Modification No. 0003		3. Effective Date 2006JUL10		4. Requisition/Purchase Req No. SEE SCHEDULE		5. Project No. (If applicable)	
6. Issued By TACOM WARREN AMSTA-AQ-ADBA SUZANNE ARCHIBALD (586)753-2489 WARREN, MICHIGAN 48397-5000 HTTP://CONTRACTING.TACOM.ARMY.MIL EMAIL: ARCHIBAS@TACOM.ARMY.MIL		Code W56HZV		7. Administered By (If other than Item 6) Code			
				SCD PAS ADP PT			
8. Name And Address Of Contractor (No., Street, City, County, State and Zip Code)				<input checked="" type="checkbox"/>		9A. Amendment Of Solicitation No.	
						W56HZV-06-R-G059	
						9B. Dated (See Item 11) 2006JUN01	
				<input type="checkbox"/>		10A. Modification Of Contract/Order No.	
						10B. Dated (See Item 13)	
Code		Facility Code					
11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS							
<input checked="" type="checkbox"/> The above numbered solicitation is amended as set forth in item 14. The hour and date specified for receipt of Offers <input checked="" type="checkbox"/> is extended, <input type="checkbox"/> is not extended. 2006JUL14 02:00pm Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended by one of the following methods: (a) By completing items 8 and 15, and returning <u>2 signed</u> copies of the amendments: (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.							
12. Accounting And Appropriation Data (If required)							
13. THIS ITEM ONLY APPLIES TO MODIFICATIONS OF CONTRACTS/ORDERS It Modifies The Contract/Order No. As Described In Item 14.							
<input type="checkbox"/>		A. This Change Order is Issued Pursuant To: The Contract/Order No. In Item 10A.				The Changes Set Forth In Item 14 Are Made In	
<input type="checkbox"/>		B. The Above Numbered Contract/Order Is Modified To Reflect The Administrative Changes (such as changes in paying office, appropriation data, etc.) Set Forth In Item 14, Pursuant To The Authority of FAR 43.103(b).					
<input type="checkbox"/>		C. This Supplemental Agreement Is Entered Into Pursuant To Authority Of:					
<input type="checkbox"/>		D. Other (Specify type of modification and authority)					
E. IMPORTANT: Contractor <input type="checkbox"/> is not, <input type="checkbox"/> is required to sign this document and return _____ copies to the Issuing Office.							
14. Description Of Amendment/Modification (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)							
SEE SECOND PAGE FOR DESCRIPTION							
<p>Except as provided herein, all terms and conditions of the document referenced in item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.</p>							
15A. Name And Title Of Signer (Type or print)				16A. Name And Title Of Contracting Officer (Type or print)			
15B. Contractor/Offeror		15C. Date Signed		16B. United States Of America		16C. Date Signed	
(Signature of person authorized to sign)				By _____ /SIGNED/		(Signature of Contracting Officer)	
NSN 7540-01-152-8070 PREVIOUS EDITIONS UNUSABLE				30-105-02		STANDARD FORM 30 (REV. 10-83) Prescribed by GSA FAR (48 CFR) 53.243	

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SECTION A - SUPPLEMENTAL INFORMATION

1. The purpose of this Amendment 0003 to W56HZV-06-R-G059 is to make the following changes/revisions/additions:

- a. SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS
 - (1) The Government requires the capability to order individual spare parts rather than a lot of spare parts. All references to requiring pricing and information for a lot of Spare Parts are deleted.
 - (2) Therefore, the following changes are made:
 - (i) Delete the requirements for SPARE PARTS PACKAGES as outlined in CLINs 0041AA, 0042AA, and 0043AA.
 - (ii) Add requirements for SPARE PARTS LISTS in new CLINs 0051AA, 0052AA and 0053AA.
- b. SECTION C DESCRIPTION/SPECIFICATIONS/WORK STATEMENT
 - (1) Based on the above deletions and additions of CLINs:
 - (i) DELETE: Delete C.1.4 Spare Parts Package (CLINS 0041AA, 0042AA, 0043AA).
 - (ii) ADD:
C.1.4 Spare Parts Lists (CLINS 0051AA, 0052AA, 0053AA): The contractor shall provide a list of all required spare parts necessary for both, routine scheduled and non-routine maintenance during a single year of usage. The spare parts lists shall be based on each of the three yearly estimated hardware quantities (456 each, 200 each, and 200 each, respectively), which will be operated at 36,000 miles per year, and used in the climate, environment, and landscape of Iraq. These spare parts lists will be reviewed and approved by the Government. The spare parts lists will be incorporated into the resulting contract as CLINs 0051AA, 0052AA, 0053AA, and as Exhibit B (1st Year), Exhibit C (2nd year), and Exhibit D (3rd Year). Spare parts shall be shipped using standard commercial practices and shipped FOB Destination.
- c. SECTION D PACKAGING AND MARKING
 - (1) Based on the above revised version of C.1.4 with reference to standard commercial practices:
 - (i) DELETE: Clause 52.247-4016 HEAT TREATMENT AND MARKING OF WOOD PACKAGING MATERIALS. This information/requirement is contained in the clause added below.
 - (ii) ADD: Clause 52.211-4517 PACKAGING REQUIREMENTS (COMMERCIAL)
- d. SECTION J LIST OF ATTACHMENTS
 - (1) Based on the deletion and addition of CLINs in paragraph 1.a. above:
 - (i) DELETE: Attachment 003 SPARE PART PACKAGE
 - (ii) ADD: Exhibits B, C, and D SPARE PARTS LISTS
 - (iii) ADD: Revised Attachment 005 - PRICING QUESTIONNAIRE, dated July 7, 2006. The changes are the addition of the Spare Parts Lists (CLINs 0051AA, 0052AA, and 0053AA) along with new Tabs 1.A, 1.B, 2.A, 2.B, 3.A and 3.B. Additionally, all cells have been correctly formatted to calculate the total proposed price.
- e. SECTION L INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS
 - (1) DELETE: Clause 52.211-4047 NOTICE TO OFFERORS INTENDING TO OFFER OTHER THAN NEW MATERIAL. Per Section C and Section L, only new material will be accepted.
 - (2) DELETE: L.2.1., paragraph 3 and ADD revised version below. The revisions pertain to the change from Spare Parts Packages to Spare Parts Lists.
 - 3. For each hardware CLIN in the first, second, and third ordering years identified in "Schedule of Supplies/Services," the offeror shall submit spare parts lists for both routine scheduled and non-routine maintenance in accordance with C.1.4. These lists will be incorporated into any resultant contract as CLINs 0051AA, 0052AA, and 0053AA and Exhibits B, C, and D.
 - (3) DELETE: L.2.4.2 and paragraph b of L.2.4.2 and ADD revised versions below. The revisions pertain to the change from Spare Parts Packages to Spare Parts Lists.
 - L.2.4.2 The Offeror shall submit pricing information by completing the Pricing Questionnaire (Attachment 005) to include all tabs/worksheets (PQ, Tab 1.A, 1.B, 2.A, 2.B, 3.A and 3.B).
 - b. Tabs/worksheets 1.A, 1.B, 2.A, 2.B, 3.A and 3.B of the Pricing Questionnaire includes a format for the Spare Parts Lists. The Offeror shall use this format. The 1st, 2nd, and 3rd Year Routine Scheduled Spare Parts Lists (Tabs 1.A, 2.A, and 3.A) will be included in the total evaluated price. The 1st, 2nd, and 3rd Year Non-Routine Spare Parts Lists (Tabs 1.B, 2.B, and 3.B) will not be included in the total evaluated price.
 - (4) DELETE: L.2.4.2 paragraph g. and the last sentence as they do not apply.

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(5) ADD: New L.2.4.3.

L.2.4.3 The Offeror shall submit their "Major Assembly/Component Data and Replacement Pricing" information in accordance with C.8. The Offeror's information will be incorporated into any resultant contract as Attachment 007. The pricing required by C.8 will not be included in the total evaluated price.

f. SECTION M EVALUATION FACTORS FOR AWARD

(1) DELETE: The last paragraph of M.2.2.3 Price Area and ADD the revised version below. The revisions pertain to the change from Spare Parts Packages to Spare Parts Lists and that the prices for the Routine Scheduled lists WILL be part of the total evaluated price.

The Total Evaluated Price will equal the sum of all the total amounts for each CLIN in Section B, (CLINs 0011AA, 0012AA, 0013AA, 0021AA, 0022AA, 0023AA, 0031AA, 0032AA, 0033AA, 0051AA, 0052AA and 0053AA). The unit prices and total amounts listed in Section B must match those on the Pricing Questionnaire (Attachment 005). The 1st, 2nd, and 3rd Year Routine Scheduled Spare Parts Lists (Tabs 1.A, 2.A and 3.A) will be included in the total evaluated price. The 1st, 2nd, and 3rd Year Non-Routine Spare Parts Lists (Tabs 1.B, 2.B, and 3.B) will not be included in the total evaluated price.

2. The above Sections are reprinted in their entirety with this amendment.

3. All other terms and conditions of the solicitation remain unchanged and in full force and effect.

4. The closing date/time is extended until Friday, July 14, 2006, 2:00 PM local time.

5. You must send your completed, signed amendment inclusive of the completed Pricing Questionnaire to the offers@tacom.army.mil mailbox only.

*** END OF NARRATIVE A 004 ***

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS				
0041AA	<u>DELETED</u>				
0042AA	<u>DELETED</u>				
0043AA	<u>DELETED</u>				
0051	SECURITY CLASS: Unclassified				
0051AA	<u>SPARE PARTS LIST (1ST YEAR)</u> SPARE PARTS LIST IN ACCORDANCE WITH C.1.4 AND EXHIBIT B. THE GOVERNMENT MAY ORDER ONE OR MORE OF THE SPARE PART(S) PROVIDED IN EXHIBIT B BY ISSUANCE OF DELIVERY ORDER(S). (End of narrative B001)				

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0052	SECURITY CLASS: Unclassified				
0052AA	<u>SPARE PARTS LIST (2ND YEAR)</u> SPARE PARTS LIST IN ACCORDANCE WITH C.1.4 AND EXHIBIT C. THE GOVERNMENT MAY ORDER ONE OR MORE OF THE SPARE PART(S) PROVIDED IN EXHIBIT C BY ISSUANCE OF DELIVERY ORDER(S). (End of narrative B001)				

Name of Offeror or Contractor:

ITEM NO	SUPPLIES/SERVICES	QUANTITY	UNIT	UNIT PRICE	AMOUNT
0053	SECURITY CLASS: Unclassified				
0053AA	<p><u>SPARE PARTS LIST (3RD YEAR)</u></p> <p>SPARE PARTS LIST IN ACCORDANCE WITH C.1.4 AND EXHIBIT D.</p> <p>THE GOVERNMENT MAY ORDER ONE OR MORE OF THE SPARE PART(S) PROVIDED IN EXHIBIT D BY ISSUANCE OF DELIVERY ORDER(S).</p> <p>(End of narrative B001)</p>				

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SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

1 STATEMENT OF WORK (SOW)

C.1 Statement of Work (SOW): This SOW clearly identifies the requirements necessary to support the Iraqi Security Forces (police and military) program.

C.1.1 Hardware Specification (CLINS 0011AA, 0012AA, 0013AA): The contractor shall provide SUV, Intermediate or Large, Truck-Based, in accordance with the specification. In addition to meeting the specification, delivered SUVs must comply with the Technical Information Questionnaire. All hardware provided under this contract is expected to operate 36,000 miles per year.

C.1.1.1 Security: The contractor shall be responsible for all security and transportation requirements for the equipment and its personnel until the time of acceptance in Iraq.

C.1.1.2 Operator Manuals: Each delivered SUV shall be over packed with two commercial-off-the-shelf (COTS) operator manuals, one in English, one in Arabic. Both manuals shall contain identical information.

C.1.2 English Supplemental Manuals (CLINS 0021AA, 0022AA, 0023AA): The contractor shall provide English-language manuals which consist of maintenance, service, repair, and operator information.

C.1.3 Arabic Supplemental Manuals (CLINS 0031AA, 0032AA, 0033AA): The contractor shall provide Arabic language manuals which consist of maintenance, service, repair, and operator information.

C.1.4 Spare Parts Package (CLINS 0051AA, 0052AA, 0053AA): The contractor shall provide a list of all required spares necessary for both routine scheduled and non-routine maintenance during a single year of usage. The Spare Parts Lists shall be based on each of the three yearly estimated hardware quantities (456 each, 200 each, and 200 each, respectively), which will be operated at 36,000 miles per year, and used in the climate, environment, and landscape of Iraq. These Spare Parts Lists will be reviewed and approved by the Government. The Spare Parts Lists will be incorporated into the resulting contract as CLINS 0051AA, 0052AA, 0053AA, and as Exhibit B (1st Year), Exhibit C (2nd Year), and Exhibit D (3rd Year). Spare parts shall be shipped using standard commercial practices and shipped FOB Destination.

C.2 Complete Assembly: At the point of acceptance, equipment must be fully assembled and in final configuration.

C.3 Dealer Support in Southwest Asia: The contractor shall maintain an established dealer within the non-terrorist countries of the Southwest Asia region. Dealer support shall include, but not be limited to, warranty support, spare and repair parts support, and routine maintenance of the equipment.

C.4 Warranty

C.4.1 Hand-off Warranty: Hand-off is defined as transfer of the item to the U.S. Government. Notwithstanding inspection and acceptance by the U.S. Government of the end items and services provided under the contract, or any provision of this contract concerning the conclusiveness thereof, the contractor hereby warrants that the hardware conform to the performance and manufacturing requirements specifically delineated in this specification/contract and will conform to the performance requirements defined in this statement of work. Under this warranty, the contractor shall be liable for the correction of all failures/defects up to final acceptance of the hardware by the U.S. Government. All labor to correct hand-off defects will be performed by the contractor at no additional cost.

C.4.2 Material and Workmanship Warranty: The contractor warrants that the end items will be free from defects in material and workmanship and will conform to the requirements of this contract for the duration of 12 months from the date of hand-off as defined above, or after the hardware has been operated at 36,000 miles per year. This warranty covers all contract items, parts, and labor, except for normal wear and tear, accident damage, misuse, alterations, combat damage, damage due to lack of maintenance or use of lubricants/fluids not recommended, normal maintenance, and scheduled service items such as filters, screens, fluids, windshield wipers, and brake shoes. In the event of a failure under this warranty, the contractor shall provide the necessary parts and labor to make repairs within 72 hours of notification at a location in SWA designated by the U.S. Government.

C.4.3 Pass-through Warranty: To the extent the contractors suppliers normally provide a commercial or trade practices warranty that exceeds the contract warranty, the contractor shall pass the identical warranty to the U.S. Government. The contractor shall provide a list of the warranted parts and assemblies to the Procuring Contracting Officer (PCO) 30 days after contract award. The pass-through warranty list shall contain the manufacturers name, part or assembly nomenclature, manufacturer (vendor or subcontractor) part number, item cost, and the coverage and duration of the warranty. Actual copies of subcontractor/vendor warranties shall also be provided to the PCO no later than 60 days after contract award.

C.4.3.1 Warranty Administration: The contractor shall be responsible for administering all pass-through warranties to the terms of the supplier warranty. Pass-through warranties will start at the time specified by the contractors suppliers. All remedies which the U.S. Government may seek as the result of such pass-through warranties will be brought against the contractor and the contractor shall

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administer such remedies in accordance with the supplier warranty terms and conditions. The cost for the warranty shall be included in the price of each item.

C.5 New Material: Only new material shall be provided.

C.6 Export License: The contractor shall obtain all export and other required licenses in order to perform under this contract and meet the delivery schedule set forth herein and under each order placed under the terms of this Requirement contract.

C.7 Safety: The vehicle shall comply with the laws, standards, and/or policies of the country of their manufacture for export to Iraq, except where Federal Motor Vehicle Safety Standards (FMVSS) are required by the vehicle specification and the proposed contract.

C.8 Progress and Delivery Schedule Report: The contractor shall provide to the U.S. Government a status report on the 1st of each month after contract award, in accordance with CDRL A001 (under Exhibit A). The report shall show the progress of production completion. The report shall include the Contract Number, Delivery Order Number, CLINS, and quantity of hardware produced.

C.9 Major Assembly/Component Data and Replacement Pricing: The contractor shall provide Major Assembly/Component Data and Replacement Pricing of its proposed vehicle/equipment. The information shall be provided in accordance with Attachment 007. The data and pricing on major assemblies and/or components shall be detailed in accordance with the product being proposed to meet the requirements of this solicitation. If at anytime the major assemblies and/or components of the proposed vehicle/equipment change, the contractor shall update the data and pricing submitted in accordance with Attachment 007 to the PCO. All updates to Attachment 007 shall clearly show the revision(s) made.

*** END OF NARRATIVE C 001 ***

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SECTION D - PACKAGING AND MARKING

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
D-1 CHANGED	52.211-4517 (TACOM)	PACKAGING REQUIREMENTS (COMMERCIAL)	NOV/2005

(a) The preservation, packing, and marking requirements for this contract/order shall be accomplished in accordance with the performance requirements defined herein. The following Packaging requirements shall apply:

LEVEL OF PRESERVATION: Commercial

LEVEL OF PACKING: Commercial

QUANTITY PER UNIT PACKAGE: One

(1) Packaging: Preservation, packaging, packing, unitization and marking furnished by the supplier shall provide protection for a minimum of one year and meet or exceed the following requirements. It also provides for multiple handling, redistribution and shipment by any mode.

(2) Cleanliness: Items shall be free of dirt and other contaminants which would contribute to the deterioration of the item or which would require cleaning by the customer prior to use. Coatings and preservatives applied to the item for protection are not considered contaminants.

(3) Preservation: Items susceptible to corrosion or deterioration shall be provided protection by means of preservative coatings, volatile corrosion inhibitors, desiccants, waterproof and/or watervaporproof barriers.

(4) Cushioning: Items requiring protection from physical and mechanical damage (e.g. fragile, sensitive, material critical) or which could cause physical damage to other items, shall be protected by wrapping, cushioning, pack compartmentalization, or other means to mitigate shock and vibration to prevent damage during handling and shipment.

(b) Unit Package: A unit package shall be so designed and constructed that it will contain the contents with no damage to the item(s), and with minimal damage to the unit pack during shipment and storage in the shipping container, and will allow subsequent handling. The outermost component of a unit package shall be a container such as a sealed bag, carton or box. Unit packs shall be designed to conserve weight and cube while retaining the protection required and enhancing standardization.

(c) Unit Package Quantity: Unless otherwise specified, the unit package quantity shall be one each part, set, assembly, kit, etc.

- (d) Intermediate Package: Intermediate packaging is required whenever one or more of the following conditions exists:
- (1) The quantity is over one (1) gross of the same national stock number,
 - (2) Use enhances handling and inventorying,
 - (3) The exterior surfaces of the unit pack is a bag of any type, regardless of size,
 - (4) The unit pack is less than 64 cubic inches,
 - (5) The weight of the unit pack is under five (5) pounds and no dimension is over twelve (12) inches.

Intermediate containers shall be limited to a maximum of 100 unit packs, a net load of 40 pounds, or a maximum volume of 1.5 cubic feet, whichever occurs first.

- (e) Packing:
- (1) Unit packages and intermediate packages not meeting the requirements for a shipping container shall be packed in shipping containers. All shipping containers shall be the most cost effective and shall be of minimum cube to contain and protect the items.
 - (2) Shipping Containers: The shipping container (including any necessary blocking, bracing, cushioning, or waterproofing) shall comply with the regulations of the carrier used and shall provide safe delivery to the destination at the lowest tariff cost. The shipping container shall be capable of multiple handling, stacking at least ten feet high, and storage under favorable conditions (such as enclosed facilities) for a minimum of one year.

(f) Unitization: Shipments of identical items going to the same destination shall be palletized if they have a total cubic displacement of 50 cubic feet or more unless skids or other forklift handling features are included on the containers. Pallet loads must be stable, and to the greatest extent possible, provide a level top for ease of stacking. A palletized load shall be of a size to allow for placement of two loads high and wide in a conveyance. The weight capacity of the pallet must be adequate for the load. The preferred commercial expendable pallet is a 40 x 48 inch, 4-way entry pallet although variations may be permitted as dictated by the characteristics of the items being unitized. The load shall be contained in a manner that will permit safe handling during shipment and

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storage.

(g) Marking:

(1) All unit packages, intermediate packs, exterior shipping containers, and, as applicable, unitized loads shall be marked in accordance with MIL-STD-129, Revision P(3), dated 29 Oct. 2004, including bar coding. The contractor is responsible for application of special markings as discussed in the Military Standard regardless of whether specified in the contract/order or not. Special markings include, but are not limited to, Shelf-life markings, structural markings, and transportation special handling markings. The marking of pilferable and sensitive materiel will not identify the nature of the materiel. NOTE: Passive RFID tagging is required in all contracts that contain DFARS clause 252.211-7006. Contractors must check the solicitation and/or contract for this clause.

(2) Contractors and vendors shall apply identification and address markings with bar codes in accordance with this standard. For shipments moving to overseas locations and for mobile deployable units, the in-the-clear address must also include the host country geographic address and the APO/FPO address. A Military Shipment Label (MSL) is required for all shipments except contractor to contractor. The MSL will include both linear and 2D bar codes per the standard. DVD shipment documentation must also be marked with additional bar codes. The DD Form 250 or the commercial packing list shall have additional issue/receipt bar coding applied as per Direct Vendor Delivery Shipments in the standard (except for deliveries to DLA Distribution Depots, e.g. New Cumberland, San Joaquin, Red River, Anniston). Packing lists are required in accordance with the Standard, see paragraph 5.3.

(3) Contractor to contractor shipments shall have the address markings applied to the identification marked side of the exterior shipping container or to the unitized load markings. The following shall be marked "FROM: name and address of consignor and TO: name and address of consignee."

(4) Commercial software may be used to generate a Military Shipment Label / Issue Receipt Document (MSL/IRRD) including the required Code 39 and 2D (PDF417) bar codes. However, the commercial software must produce labels/documents which comply with the requirements of MIL-STD-129P. Contractors shall insure that the ship to and mark for in-the-clear delivery address is complete including: consignees name, organization, department name, office, building, room, street address, city, state, country code, and DODAAC. (Army developed software, for creating MSL/IRRD previously available to those with government contracts is no longer supported.)

(h) Hazardous Materials (As applicable):

(1) Hazardous Materials is defined as a substance or waste which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce and which has been so designated. (This includes all items listed as hazardous in Titles 29, 40 and 49 CFR and other applicable modal regulations effective at the time of shipment.)

(2) Packaging and marking for hazardous material shall comply with the requirements herein for the mode of transport and the applicable performance packaging contained in the following documents:

- International Air Transport Association (IATA) Dangerous Goods Regulations
- International Maritime Dangerous Goods Code (IMDG)
- Code of Federal Regulations (CFR) Title 29, Title 40 and Title 49
- Joint Service Regulation AFJMAN24-204/TM38-250/NAVSUPPUB 505/MCO P4030.19/DLAM 4145.3 (for military air shipments).

(3) If the shipment originates from outside the continental United States, the shipment shall be prepared in accordance with the United Nations Recommendations on the Transport of Dangerous Goods in a manner acceptable to the Competent Authority of the nation of origin and in accordance with regulations of all applicable carriers.

(4) A Product Material Safety Data Sheets (MSDS) is required to be included with every unit pack and intermediate container and shall be included with the packing list inside the sealed pouch attached to the outside of the package.

(i) Heat Treatment and Marking of Wood Packaging Materials: Boxes/pallets and any wood used as inner packaging made of non-manufactured wood shall be heat-treated. All non-manufactured wood used in packaging shall be heat treated to a core temperature of 56 degrees Celsius for a minimum of 30 minutes. The box/pallet manufacturer and the manufacturer of wood used as inner packaging shall be affiliated with an inspection agency accredited by the board of review of the American Lumber Standard Committee. The box/pallet manufacturer and the manufacturer of wood used as inner packaging shall ensure traceability to the original source of heat treatment. Marking. Each box/pallet shall be marked to show the conformance to the International Plant Protection Convention Standard. The quality mark shall be placed on both ends of the outer packaging, between the end cleats or end battens; on two sides of the pallet. Foreign manufacturers shall have the heat treatment of non-manufactured wood products verified in accordance with their National Plant Protection Organization's compliance program. In addition, wood used as dunnage for blocking and bracing shall be ordered with ALSC certified marking for dunnage or the markings may be applied locally at two foot intervals.

(j) Quality Assurance: The contractor is responsible for establishing a quality system. Full consideration to examinations, inspections, and tests will be given to ensure the acceptability of the commercial package.

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(k) SUPPLEMENTAL INSTRUCTIONS: N/A

[End of Clause]

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SECTION J - LIST OF ATTACHMENTS

<u>List of</u> <u>Addenda</u>	<u>Title</u>	<u>Date</u>	<u>Number</u> <u>of Pages</u>	<u>Transmitted By</u>
Exhibit B	SPARE PARTS LIST FOR 1ST YEAR (TO BE INCLUDED AT TIME OF AWARD)			
Exhibit C	SPARE PARTS LIST FOR 2ND YEAR (TO BE INCLUDED AT TIME OF AWARD)			
Exhibit D	SPARE PARTS LIST FOR 3RD YEAR (TO BE INCLUDED AT TIME OF AWARD)			
Attachment 003	SPARE PARTS PACKAGE (DELETED BY AMD 0003)	DELETED		
Attachment 005	PRICING QUESTIONNAIRE (AMENDED 07 JUL 2006)	07-JUL-2006	007	ELECTRONIC IMAGE

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SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

<u>Status</u>	<u>Regulatory Cite</u>	<u>Title</u>	<u>Date</u>
L-1 DELETED 52.211-4047 (TACOM)		NOTICE TO OFFERORS INTENDING TO OFFER OTHER THAN NEW MATERIAL (NEGOTIATED)	DEC/2004

L.1 Proposal Instructions, Format and Content

L.1.1. Proposal Instructions. The proposal should be accompanied by an electronic cover letter (letter of transmittal) which will be the body of the e-mail response to this solicitation, to identify all enclosures being transmitted in the message. Extreme care and attention should be given to ensure that all required items are included in the proposal. It is the U.S. Governments intent to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offerors initial proposal should contain the Offerors best terms from a technical, delivery, small business participation, and price standpoint.

NOTE: The U.S. Government reserves the right to conduct discussions if the Contracting Officer determines them to be necessary.

L.1.2 Proposal Format. The proposal shall be submitted in the formats and quantities set forth in this section. Section M sets forth evaluation criteria and their relative order of importance to the U.S. Government. All proposals shall be in English (American Standard) and all prices shall be in US dollars. Each section of the proposal shall be separable to facilitate review by the Government (see L.2.1 Volume I, L.2.2 Volume II, L.2.3 Volume III, L.2.4 Volume IV, and L.2.5 Volume V).

L.1.3 Submission Due Dates. See SF1449, Block 8. All times are Eastern Daylight Time (EDT).

L.1.4 Lateness. The lateness rules for submitted proposals are outlined in FAR 52.212-1 "Instructions to Offerors - Commercial Items", as incorporated in this solicitation.

L.1.5 Electronic Copies

L.1.5.1 Offerors must submit one electronic copy and any supplemental information (such as spreadsheets, backup data, and technical information) using the following:

- (i) Files in either Microsoft Office 2000 or Office XP: Word, Excel, or PowerPoint. Spreadsheets must be sent in a file format that includes all formulae, macro and format information. Print image is not acceptable.
- (ii) Files in Adobe PDF (Portable Document Format). Scanners must be set to 200 dpi.
- (iii) Files in HTML (Hypertext Markup Language). HTML documents must not contain active links to live Internet sites or pages. All linked information must be contained within the electronic offer and be accessible offline.
- (iv) Each proposal volume shall be submitted together within the same file

L.1.5.2 Acceptable Media. Per Section K, Clause K.1(b): E-MAIL ONLY. The only method to submit your offer is via e-mail, addressed to offers@tacom.army.mil. DO NOT E-MAIL OFFERS TO THE BUYER OR THE PERSON IDENTIFIED IN BOX 9 OF THE SF1449. THE SUBJECT LINE OF THE E-MAIL MUST READ: "OFFER--[solicitation number], [name of Company/Offeror], CLOSES [closing date]" etc. Maximum size of each e-mail message shall be three and one-half (3.5) megabytes. You may use multiple e-mail messages for each offer/submission, however, you must annotate the subject lines as described above for each message, and number them in this manner: "Message 1 of 3, 2 of 3, 3 of 3".

L.1.5.3 Unreadable Offers. Please see FAR 15.207(c) for a description of the steps the Government shall take with regard to unreadable offers:

"(c) If any portion of a proposal received by the contracting officer electronically or by facsimile is unreadable, the contracting officer immediately shall notify the Offeror and permit the Offeror to resubmit the unreadable portion of the proposal. The method and time for resubmission shall be prescribed by the contracting officer after consultation with the Offeror, and documented in the file. The resubmission shall be considered as if it were received at the date and time of the original unreadable submission for the purpose of determining timeliness under FAR 15.208 <<http://farsite.hill.af.mil/reghtml/regs/far2afmcfars/fardfars/far/15.htm>>(a), provided the Offeror complies with the time and format requirements for resubmission prescribed by the contracting officer."

L.1.5.4 Offerors shall make every effort to ensure that their offer is virus-free. Offers (or portions thereof) submitted which reflect the presence of a virus, or which are otherwise rendered unreadable by damage in either physical or electronic transit, shall be treated as "unreadable" per paragraph L.1.5.3 above.

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- L.1.6 Paper Copies. Paper copies will not be accepted.
- L.1.7 Proposals shall conform to the requirements of this solicitation; no alternate proposals will be considered in this procurement.
- L.2 Proposal Content. Proposals shall be submitted electronically in five Volumes identified below.
- L.2.1 Volume I - Technical Area Volume.

Offerors shall fully substantiate their ability to provide the supplies and services in accordance with contract requirements (Attachment 001, Specification). This information shall consist of the following:

1. The Offeror shall fill in Attachment 002, Technical Information Questionnaires (TIQ), for the hardware CLINS in the first, second and third ordering periods identified in "Schedule of Supplies/Services." Offeror must also include identification of a dealer in the Southwest Asia region. Failure to provide any of the information required by Attachment 002 may render your proposal ineligible for award.
2. The Offeror shall electronically submit commercial literature, and any additional technical information, commercial literature, or other supporting data which demonstrates that their product meets the contract specification requirements (Specification, Attachment 001).
3. For each hardware CLIN in the first, second, and third ordering years identified in Schedule of Supplies/Services, the Offeror shall submit a Spares Parts Lists for both routine schedule and non-routine maintenance in accordance with C.1.4. These lists will be incorporated into any resultant contract as CLINs 0051AA, 0052AA, 0053AA, and Exhibit B, C, and D.

- L.2.2 Volume II - Delivery Area Volume
- L.2.2.1 The Offeror shall complete Attachment 004 (Delivery Questionnaire), by filling in their proposed delivery schedule for U.S. Governments Total Estimated Initial Order Qunatity of 456 units to be delivered FOB Destination, Iraq.
- L.2.2.2 In addition to the Offerors proposed delivery schedule, completion of Attachment 004 will require the Offeror to provide substantiating information which confirms the achievability of the Offerors proposed schedule, either as a Manufacturer or as a Dealer/Distributor. This includes a commitment letter from the OEM and/or prime vendor, so the U.S. Government may confirm production capabilities within the Offerors proposed delivery schedule. Offerors are further advised that Attachment 004 requires the Offeror to identify Points of Contact in order for the U.S. Government to verify certain proposal information. These Points of Contact must speak English and be readily available either by telephone or email. In the even the U.S. Government cannot contact these Points of Contact, validation of the Offerors proposal may be considered to lack credibility and will be assessed accordingly.

- L.2.3 Volume III - Small Business Participation Area
- L.2.3.1 All Offerors, including Offerors who are either (1) themselves U.S. small business concerns based on the NAICS code assigned to this requirement, or (2) non-U.S. based foreign firms, are to identify the extent to which U.S. small business concerns would be utilized as first tier subcontractors in the performance of the proposed contract. U.S. small business concerns are defined (1) in FAR 19.002 and (2) by the criteria and size standards in FAR 19.102 for the applicable North American Industry Classification System Code. U.S. small business concerns include small businesses (SBs), small disadvantaged businesses (SDBs), HUBZone small businesses (HUBZone SB), woman-owned small businesses (WOSBs), veteran-owned/service-disabled small businesses (VOSBs), and historically black colleges/universities and minority institutions (HBCU/MIs).
- L.2.3.1.1 If the prime Offeror (to include any U.S. small business concerns who are proposing as part of a joint venture or teaming arrangement), is itself a U.S. small business concern, the Offerors own participation, as a SB, SDB, WOSB, VOSB, HUBZone SB, and/or HBCU/MI, will also be considered small business participation for the purpose of this evaluation. In this event, the extent of prime Offeror participation as a U.S. small business concern shall be detailed, as described below, in the same manner as subcontracts to first tier U.S. small business concerns.

L.2.3.2 Small business concern participation for the base year, as well as for each option period/out-year (if any), shall be identified in a table format substantially as follows (note the numbers in this table are sample numbers):

BASE YEAR		
BUSINESS CATEGORY	DOLLAR AMOUNT	% OF SB PARTICIPATION
Total (LG +SM)	\$43.00M	100.00%
SB	\$10.00M	23.25%
SDB	\$ 2.15M	5.00%
WOSB	\$ 2.36M	5.50%
VOSB	\$ 0.30M	0.69%
HUBZone SB	\$ 1.00M	2.32%
HBCU/MI	\$ 0.15M	0.35%

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*Include 1st tier subcontractors only; interdivisional transfers are considered subcontracts; include prime Offeror participation if the prime is a U.S. small business concern.

L.2.3.3 All Offerors, regardless of size and whether the Offeror is a U.S. or non-U.S. firm, are to provide (individually for each base year and for each option/out year, if any), the names of small business concerns (including the prime Offeror if a small business concern) who would participate in the proposed contract; the small business classification of each small business concern (i.e., SB, SDB, WOSB, VOSB, HUBZone SB, and/or HBCU/MI); a short description of the specific components to be produced or services to be provided by each small business concern; and the estimated total dollars for each product or service. This data shall be provided in a table format substantially as follows (note the numbers and the descriptions in this table are samples):

BASE YEAR			
Name of	Description of		
SB Concern	SB Classification(s)	Product/Service	Total Dollars
ABC Co.	SB	Wire	\$0.50M
ABC Co.	SB	Plating	\$0.75M
EFG Inc. (Prime)	SB, WOSB, VOSB	Circuit Cards	\$1.20M

L.2.3.4 As defined below, Offerors shall also provide the following:

L.2.3.4.1 Offerors who ARE either (1) a U.S. large business, as defined by the North American Industry Classification System code applicable to this solicitation, or (2) a firm who has previously performed a Contract containing FAR 52.219-9, are to provide a description of their performance in complying with the requirements of FAR 52.219-9, including documentation of their accomplishment of the goals established under Subcontracting Plans of prior contracts. This data shall include contracts performed over the last three (3) calendar years. Firms that have never held a contract incorporating FAR 52.219-9 shall so state.

L.2.3.4.2 All Offerors who ARE NOT either (1) a U.S. large business, as defined by the North American Industry Classification System code applicable to this solicitation, or (2) any firm who has previously performed a Contract containing FAR 52.219-9, shall substantiate their proposed approach to meeting the requirements of FAR 52.219-8. Substantiation may include providing (1) a description of the Offerors performance over the past three calendar years, in complying with the requirements of FAR 52.219-8 (Note: if the Offeror has not performed a contract over the past three years which included FAR 52.219-8, shall so state); (2) a description and available documentation of any methods or techniques used to promote small business participation; (3) any listings of U.S. small business concerns who are subcontracting candidates; (4) the internal procedures used to monitor small business participation during contract performance; and/or (5) any other information substantiating that the Offeror will satisfy the requirements of FAR 52.219-8.

L.2.4 Volume IV - Price Area

L.2.4.1 The Price Area shall clearly identify the proposed unit prices for each CLIN in Schedule B.

L.2.4.2 The Offerors shall submit pricing information by completing the Pricing Questionnaire (Attachment 005) to include all tabs/worksheets (PQ, Tab 1.A, 1.B, 2.A, 2.B, 3.A, and 3.B).

a. The Pricing Questionnaire requires the Offerors to propose pricing based on FOB Destination Iraq. Price proposal shall be based on use of U.S. Flag vessels for all transportation over water. The Offeror is responsible for all insurance and security costs in addition to normal transportation charges.

b. Tabs/worksheets 1.A, 1.B, 2.A, 2.B, 3.A, and 3.B of the Pricing Questionnaire includes a format for the Spare Parts Lists. The Offeror shall use this format. The 1st, 2nd, and 3rd Year Routine Schedule Spare Parts Lists (Tabs 1.A, 2.A, and 3.A) will be included in the total evaluated price. The 1st, 2nd, and 3rd Non-Routine Spare Parts Lists (Tabs 1.B, 2.B, and 3.B) will not be included in the total evaluated price.

c. All prices shall be stated in U.S. dollars only. All prices shall include all costs to perform the contract including any applicable taxes, duties, fees, security until U.S. Government acceptance, transportation costs, etc. No currency adjustment provisions will be contained in any resulting contract.

d. Contract Type is Firm Fixed Price. All pricing submitted herein is for a Firm Fixed Price over all the ordering periods involved.

e. The Offeror shall provide the basis for establishing the proposed prices, including any offered discounts, established catalogs, price lists, or other verifiable and established records that are regularly maintained by the vendor, and are published or otherwise available for customer inspection. The U.S. Government reserves the right, as clarifications under FAR 15.306(a), to request additional information necessary to make a determination of price reasonableness; however, not more information than is necessary, per FAR 15.402.

L.2.4.3 The Offeror shall submit their "Major Assembly/Component Data and Replacement Pricing" information in accordance with C.8. The Offeror's information will be incorporated into any resultant contract as Attachment 007. The pricing required by C.8 will not be included in the total evaluated price.

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L.2.5 Volume V - Contract

L.2.5.1 In Volume V, all Offerors shall submit:

a. Electronic copies of their signed SF1449. The SF 1449 shall include all sections of the solicitation, including the "Schedule of Supplies/Services" with completed prices and their proposed delivery schedule (see RFP section Delivery Schedule for Delivery Orders, FAR 52.247-4457).

b. Offerors, except for U.S. small business concerns, shall submit their Small Business Subcontracting Plan in accordance with FAR 52.219-9.

c. Representations and Certifications (Section K)

d. Unless otherwise specifically stated in the Contract Volume, the Government will assume the Offeror has accepted all RFP requirements, terms and conditions. (Note: Offerors are cautioned that including exceptions in their offer may result in the offer being made ineligible for award, particularly given that it is the intent of the Government to award without discussions).

L.2.6 Restriction on Disclosure of Data.

L.2.6.1 If the Offeror wished to restrict the disclosure or use of its proposal, the legend permitted by FAR 52.215-1(e) shall be used. Per FAR 52.215-1, found within the provision "Instructions to Offerors-Competitive Acquisition",

Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall -

(1) Mark the title page with the following legend:

"This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used or disclosed - in whole or in part - for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this Offeror as a result of - or in connection with - the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Governments right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets (insert numbers or other identification of sheets)"; and

(2) Mark each sheet of data it wishes to restrict with the following legend:

"Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal."

L.2.6.2 Individual subcontractor/vendor proprietary information may be submitted via separate binders/CDs. The information contained in these binders/CDs must be referenced (by binder title, page, and section number as appropriate) within the main proposal where the information would have been included if it were not subcontractor/vendor proprietary. The information in these separate binder/CDs is subject to all other requirements of the RFP and must be well marked to clearly indicate any special handling instructions.

L.3 Dealership Support in Southwest Asia

The contractor shall maintain an established dealer within the non-terrorist countries of the Southwest Asian region to satisfy basic upkeep of the units, including warranty support, spare and repair parts support, routine maintenance, and other services excluding major repair work, all Offerors shall identify the name and location, address, phone number, e-mail address, and a Point of Contact for the dealer who will provide this support. Note: The Point of Contact must be able to communicate in English in the event the Government elects to contact them to confirm your claim that they will be your dealer for this contract. This will be a consideration under the Technical Area as an acceptable/non acceptable item, and will be addressed in the evaluation of that Area. The terrorist countries are identified at <http://www.state.gov/s/ct/cl14151.htm>.

L.4 Type of Contract

The Government contemplates award of a Firm-Fixed Price 3-Year Requirements Contract resulting from this solicitation.

L.5 New Material

The U.S. Government intends to acquire only new material. Unless this contract otherwise requires virgin material or supplies composed of, or manufactured from, virgin material, the contractor shall provide supplies that are new, as defined in this clause.

New means composed of previously unused components, whether manufactured from virgin material, recovered material, in the form of raw material, or materials and by-products generated from, and reused within, an original manufacturing process; provided that the supplies

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meet contract requirements, including but not limited to, performance, reliability, and life expectancy.

*** END OF NARRATIVE L 001 ***

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SECTION M - EVALUATION FACTORS FOR AWARD

M.1 Source Selection Process

M.1.1 Source Selection Authority. The Source Selection Authority (SSA) is the official designated to direct the source selection process and select the Offeror for the contract award.

M.1.2 Source Selection Evaluation Board (SSEB). An SSEB has been established by the U.S. Government to evaluate proposals in response to this solicitation. The SSEB is comprised of technically qualified individuals who have been selected to conduct this evaluation in accordance with the evaluation criteria listed for this solicitation. Careful, full, and impartial consideration will be given to all proposals received in response to this solicitation.

M.1.3 Award Without Discussions. The U.S. Government intends to award a contract without discussion, but reserves the right to hold discussions if necessary. Where award will be made without discussions, exchanges with Offerors are limited to Clarifications as defined in FAR 15.306(a). Therefore, the Offerors initial proposal should contain the Offerors best terms from a technical, delivery, small business participation, and price standpoint.

M.1.4 Two-step Evaluation Process. The evaluation of proposals in response to this solicitation is structured in two phases. Phase I is an evaluation of the Offerors technical proposal. This evaluation will be on an acceptable/not acceptable basis. Any Offerors proposal assessed as not acceptable in Phase I will no longer be considered for award.

Under Phase II of the evaluation process, those proposals found acceptable under the Phase I evaluation, will be evaluated using a tradeoff process to determine which proposal is most advantageous to the U.S. Government.

M.2 Evaluation Process

M.2.1 Phase I Evaluation Technical Area. Phase I will be an acceptable/not acceptable evaluation of the Technical proposal meeting the contract specification (Attachment 001). The determination of "acceptable" will be based on an evaluation of the technical proposal against the following definition:

An "Acceptable" Technical proposal is a proposal where there is essentially no doubt, based on the Offeror's proposal, that the offered supplies will meet each of the specification requirements. This assessment will be performed using the information contained in the Technical Information Questionnaire, as well other information supplied by the Offeror to support conformance of the supplies to each specification requirement.(e.g. commercial literature, vendor data, narrative descriptions of conformation to specification requirements, test data, etc).

NOTE: Technical performance beyond the minimum acceptable, as defined above, will not be given extra evaluation credit. No extra credit will be given for providing the desired item(s).

Under the Technical Area evaluation, the U.S. Government will also assess the Offerors proposal to have a dealer available to support the hardware being delivered. This will be done on an acceptable/not acceptable basis, and will be based upon the information provided by the Offeror. To be acceptable, the Offerors submitted information must demonstrate the availability of a dealer in the SWA region who meets the requirement stated in the Technical Information Questionnaire (Attachment 002).

M.2.2 Phase II Evaluation Best Value. Phase II of the evaluation is a best value process utilizing source selection tradeoff procedures, to select the most advantageous offer from among those Phase I proposals assessed as acceptable. Under Phase II, the SSA will weigh the merits in the Delivery Area and the Small Business Participation Area against the evaluated price to the Government to determine which proposal, in the SSAs judgment, represents the best value to the U.S. Government. The Technical Area proposal will not be considered in the Phase II best value award decision. As part of the tradeoff determination of best value, the relative advantages, disadvantages, and risks of each proposal will be considered.

The Delivery Area is more important than the Price Area. The Price Area is more important than the Small Business Participation Area. The Delivery Area and the Small Business Participation Area combined are more important than the Price Area.

M.2.2.1 Delivery Area. The Delivery Questionnaire (Attachment 004), as completed by the Offeror, forms the primary basis for the U.S. Governments evaluation of Delivery. The U.S. Governments assessment of the Offerors delivery capability may also include inquiry of identified points of contact, on-site visits to proposed performance locations, and internet searches. Your offer will be evaluated on the basis of a single date for completion of the U.S. Governments Total Estimated Initial Order Quantity of 456 Units to FOB Destination Iraq.

M.2.2.2 Small Business Participation Area. This provision applies to every Offeror (U.S. and non-U.S.), regardless of size-status or location of its manufacturing facility or headquarters.

The U.S. Government will evaluate the extent of small business concern participation in terms of the percentage of total subcontracted dollars which the Offeror credibly proposes to subcontract to U.S. small business concerns (Small Business, Small Disadvantaged Business, Woman-Owned Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, HUBZone Small

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Business and/or Historically Black Colleges and Universities/Minority Institutions) in the performance of the contract. For the purpose of this evaluation, the extent of prime Offeror (or joint venture partner/teaming arrangement) participation in proposed contract performance, where the Offeror is a U.S. small business concern, for the NAICS code applicable to this solicitation, will also be considered small business participation.

The evaluation will include the following:

1. The extent to which the proposal identifies participation of U.S. Small Business Concerns (to include, as described above, the participation of the Offeror if it is a U.S. Small Business Concern). The extent of participation of such concerns shall be evaluated in terms of the percentage of the total subcontract amount (to include, as described above, the participation of the Offeror if it is a U.S. Small Business Concern).
2. An assessment of the probability that the Offeror will satisfy the requirements of FAR 52.219-8 and FAR 52.219-9 (as applicable to the Offeror) and achieve the levels of Small Business Participation identified in the proposal. This assessment will be based upon both:
 - a. A proposal risk assessment of the Offeror proposed Small Business Participation Approach; and
 - b. A performance risk assessment of prior achievements in satisfying commitments and requirements under FAR 52.219-8 and FAR 52.219-9, if applicable.
3. Offerors are advised that they will be evaluated under the Small Business Participation Area based upon the risk and extent of the Offeror credibly achieving the U.S. Governments goals for U.S. small business concern participation.

The statutory U.S. Government goals for small business participation are:

- 23% Small Business
- 5% Small Disadvantaged Business
- 5% Woman-Owned SB
- 3% HUBZone SB
- 3% Service Disabled Veteran-Owned SB

Goals for evaluation include:

- *Small business concern participation (including all subcategories of small business concerns) of 10% or more; and
- *U.S. small disadvantaged business concern participation of 2.2% or more.

M.2.2.3 Price Area. The Price Area will be assessed based upon total evaluated price to include an assessment of price reasonableness and realism to the U.S Government.

Realism is measured by whether or not the proposal price accurately reflects the Offeror's approach in meeting the solicitation requirements and objectives, as well as an expectation that the solicitation requirements and objectives will be met at a price that will not result in a net loss to the Offeror.

Reasonableness is measured by whether or not the offered price exceeds what would be incurred by a prudent person in the conduct of competitive business. The U.S. Government may reject a proposal which is not realistic, or not reasonable, as to price.

All vehicles will be inspection at Origin; acceptance and FOB are Destination Iraq.

The Total Evaluated Price will equal the sum of all the total amounts for each CLIN in Section B (CLINs 0011AA, 0012AA, 0013AA, 0021AA, 0022AA, 0023AA, 0031AA, 0032AA, 0033AA, 0051AA, 0052AA, and 0053AA). The unit prices and total amounts listed in Section B must match those on the Pricing Questionnaire (Attachment 005). The 1st, 2nd, and 3rd Year Routine Schedule Spare Parts Lists (Tabs 1.A, 2.A, and 3.A) will be included in the total evaluated price. The 1st, 2nd, 3rd Year Non-Routine Spare Parts Lists (Tabs 1.B, 2.B, and 3.B) will not be included in the total evaluated price.

M.3 Contractor Responsibility and Eligibility for Award. The U.S. Government will award a contract to the Offeror that:

- (1) Represents the best value to the Government, and
- (2) Submits a proposal that meets all the material requirements of this solicitation, and
- (3) Meets all the responsibility criteria at FAR 9.104.

To make sure that the Offeror meets the responsibility criteria at FAR 9.104, the U.S. Government may arrange a visit to the Offerors plant and perform a necessary pre-award survey. Failure to provide the U.S. Government with the data within 7 days from the date Offeror receives the request, or if the Offeror refuses to have the U.S. Government visit their facility, the Offerors proposal may be

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determined non-responsible.

M.4 Rejection of Offers. The U.S. Government may reject any proposal which:

- 1. Merely offers to perform work according to the RFP terms or fails to present more than a statement indicating its capability to comply with the RFP terms without support and elaboration, as specified in the solicitation; or
- 2. Reflects an inherent lack of technical competence or a failure to comprehend the complexity and risks required to perform RFP requirements due to submission of a proposal that is unrealistically high or low in price and/or unrealistic in terms of technical or schedule commitments; or
- 3. Contains any unexplained, significant inconsistency between the proposed effort and the proposed price, which implies the Offeror has (1) an inherent misunderstanding of the scope of work, or (2) an inability to perform the resultant contract; or
- 4. Is unbalanced, as to prices. An unbalanced offer is one which is based on prices significantly high or low for one given ordering period versus another ordering period; or
- 5. Fails to meaningfully respond to the proposal preparation instructions specified in the solicitation.

*** END OF NARRATIVE M 001 ***